

LEASE NO.  
GS-11B-12546

INITIALS	
Lessor	Govt.
<i>AS</i>	<i>JD</i>

Simplified Lease  
GSA FORM L201A (June 2012)

This Lease is made and entered into between

**Schraf Family Limited Partnership**

(Lessor), whose principal place of business address is 10610 Rhode Island Avenue, Beltsville, Maryland 20705, and whose interest in the Property described herein is that of Fee Owner, and

The United States of America

(Government), acting by and through the designated representative of the General Services Administration (GSA), upon the terms and conditions set forth herein.

Witnesseth: The parties hereto, for the consideration hereinafter mentioned, covenant and agree as follows:

Lessor hereby leases to the Government the Premises described herein, being all or a portion of the Property located at

Forestville Business Park, 7945-7955 Fernham Lane, Forestville, MD 20747.

and more fully described in Section 1 and Exhibit B, together with rights to the use of parking and other areas as set forth herein, to be used for such purposes as determined by GSA.

**LEASE TERM**

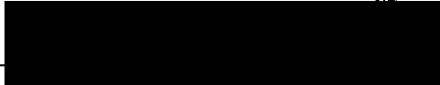
To Have and To Hold the said Premises with their appurtenances for the term beginning upon acceptance of the Premises as required by this Lease and continuing for a period of

**5 Years, 5 Years Firm,**

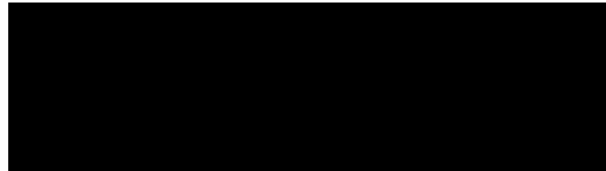
subject to termination and renewal rights as may be hereinafter set forth. The commencement date of this Lease, **on June 24, 2012**, along with any applicable termination and renewal rights, shall be more specifically be set forth in a Lease Amendment upon substantial completion and acceptance of the Space by the Government.

In Witness Whereof, the parties to this Lease evidence their agreement to all terms and conditions set forth herein by their signatures below, to be effective as of the date of delivery of the fully executed lease to the Lessor.

**FOR THE LESSOR:**



INITIALS	
Lessor	Govt.
<i>AS</i>	<i>JD</i>



Name: Allen Gemell DENNIS SCHRAF

Title: Senior Vice President GENERAL PARTNER I2

Entity Name: NAT Michael Companies, Inc. SCHRAF Family Limited Partnership

Date: \_\_\_\_\_

Lease Contracting Officer

General Services Administration, Public Buildings Service

Date: January 24, 2013

**WITNESSED FOR THE LESSOR BY:**



Name: Allen Gemell

Title: \_\_\_\_\_

Date: 15 NOV 12

The information collection requirements contained in this Solicitation/Contract, that are not required by the regulation, have been approved by the Office of Management and Budget pursuant to the Paperwork Reduction Act and assigned the OMB Control No. 3090-0163.

**SECTION 1 THE PREMISES, RENT, AND OTHER TERMS**

**1.01 THE PREMISES (SUCCEEDING) (JUN 2012)**

Unless otherwise noted, the Government accepts the Premises and tenant improvements in their existing condition, except where specifications or standards are contained elsewhere in this Lease. These standards include security improvements, Fire Protection and Life Safety requirements, ABAAS compliance, as well as compliance with all local codes and ordinances. Such acceptance by the Government of existing Premises shall not relieve Lessor of continuing obligations for cleaning, janitorial, maintenance, repair, etc. as set forth in the Lease paragraphs and attached General Clauses.

The Premises are described as follows:

A. A total of **12,848** rentable square feet (RSF) / **12,848** ANSI/BOMA Office Area (ABOA) comprising of **2,000** RSF / **2,000** ABOA of office and related space and **10,848** RSF / **10,848** AABOA of warehouse space at Forestville Business Park, 7945-7955 Fernham Lane, Forestville, MD 20747 as depicted on the floor plan(s) hereto as Exhibit B.

*and seven (7) parking spaces*

B. Common Area Factor: The Common Area Factor (CAF) is established as **100** percent. This factor, which represents the conversion from ABOA to rentable square feet, rounded to the nearest whole percentage, shall be used for purposes of rental adjustments in accordance with the Payment Clause of the General Clauses.

INITIALS  
Lessor Govt.  
*WS* *JS*

Please Initial

**1.02 EXPRESS APPURTENANT RIGHTS (SIMPLIFIED) (JUN 2012)**

The Government shall have the non-exclusive right to the use of Appurtenant Areas, and shall have the right to post Rules and Regulations Governing Conduct on Federal Property, Title 41, CFR, Part 102-74, Subpart C, within such areas. The Government will coordinate with Lessor to ensure signage is consistent with Lessor's standards. Appurtenant to the Premises and included in the Lease are rights to use parking as described under Block 16 of Exhibit C, Simplified Lease Proposal, GSA Form 1364A. In addition, the Lessor shall provide such additional parking spaces as required by the applicable code of the local government entity having jurisdiction over the Property.

**1.03 RENTAL CONSIDERATION FOR SIMPLIFIED LEASES (JUN 2012)**

In consideration for the Lease, the grant of all associated rights, express or implied, and the performance or satisfaction of all of the Lessor's other obligations set forth herein, the Government shall pay the Lessor annual rent of **\$155,203.84** (\$12.08 per RSF / \$12.08 per ABOA) payable at a rate of **\$12,933.65**, as specified on Exhibit C, GSA 1364A and the actual ANSI BOMA Office Area (ABOA) delivered for occupancy and use by the Government, not to exceed the maximum ABOA solicited by the Government. Payment shall be made monthly in arrears. Rent for a lesser period shall be prorated. Rent shall be paid by Electronic Funds Transfer to an account to be designated by Lessor. Rent shall be inclusive of all costs incurred by the Lessor for the construction of Building shell and Tenant Improvements (TIs) specified in the Lease, including those described on Exhibit C, GSA Form 1364A and the Agency Specific Requirements (ASR) attached hereto, all taxes of any kind, and all operating costs. Unless a separate rate is specified on Exhibit C, GSA Form 1364A, rights to parking areas will be deemed included in the rent.

Rent checks shall be made payable to:

Schraf Family Limited Partnership  
10610 Rhode Island Avenue  
Beltsville, Maryland 20705

*WS*  
*JS*

**1.04 BROKER COMMISSION AND COMMISSION CREDIT (JUN 2012) INTENTIONALLY DELETED**

~~[NBC2 Broker Name] (Broker) is the authorized real estate broker representing GSA in connection with this Lease transaction. The total amount of the commission to the Broker is earned upon Lease execution, payable according to the commission agreement signed between the two parties. Only a portion of the commission will be payable to [NBC2 Broker Name] with the remaining portion, which is the Commission Credit, to be credited to the initial rental payments due and owing under this Lease. Beginning with the first month's rent due the reduction shall be taken in equal monthly amounts over the fewest number of months until the credit has been fully recaptured. The exact amount of the Commission Credit and the schedule for adjusted Monthly Rent payments will be determined following Lease Award and documented in a Lease Amendment.~~

**1.05 TERMINATION RIGHTS (JUN 2012) INTENTIONALLY DELETED**

~~The Government may terminate this Lease, in whole or in part, after the Firm Term of this Lease by providing not less than 90 days' prior written notice to the Lessor. The effective date of the termination shall be the day following the expiration of the required notice period or the termination date set forth in the notice, whichever is later. No rental shall accrue after the effective date of termination. The Government must provide termination notice no later than 120 days after the last day of the Firm Term.~~

**1.06 RENEWAL RIGHTS (SIMPLIFIED) (APR 2011)**

The Lease may be renewed at the option of the Government, for a term of **5 YEARS** at the rental rate of **\$189,508.00** (\$14.75 per RSF / \$14.75 per USF), payable at the rate of **\$15,792.33** per month in arrears, plus cumulative operating expense adjustments from the initial lease term. The renewal

option shall become effective provided notice is given in writing to the Lessor at least **60 days** before the end of the original Lease term; all other terms and conditions of this Lease, as same may have been amended, shall remain in full force and effect during any renewal term.

**1.07 DOCUMENTS INCORPORATED IN THE LEASE (SIMPLIFIED) (JUN 2012)**

The following documents are as attached to and made part of the Lease:

DOCUMENT NAME	NO. OF PAGES	EXHIBIT
Attachment 1 - Additional Security Requirements	2	A
Floor Plan Delineating the Premises	5	B
Simplified Lease Proposal (GSA Form 1364A and 1364A-1)	5	C
Rate Structure	1	D
Lessor's Annual Cost Statement (GSA Form 1217)	2	E
Representations and Certifications (GSA Form 3518A)	4	F
Certificate of Seismic Compliance	7	G
Attachment 2 - Fire Protection Life Safety Evaluation	9	H
Rider #1 - Fire & Life Safety	2	I
Rider #2 - Fire & Life Safety Rider #2	2	J
Rider #3 - Security Rider	1	K

**INITIALS**  

Lessor	Govt.
<i>W.R.</i>	<i>[Signature]</i>

**1.08 PERCENTAGE OF OCCUPANCY FOR TAX ADJUSTMENT (SIMPLIFIED) (SEPT 2011)**

As of the Lease Award Date, the Government's Percentage of Occupancy, as defined in the Real Estate Tax Adjustment paragraph of this Lease is ~~40%~~ percent.

44.6

**1.09 OPERATING COST BASE (AUG 2011)**

The parties agree that for the purpose of applying the paragraph titled "Operating Costs" Lessor's base rate for operating costs shall be **\$3.95** per RSF (\$50,749.60/annum).

**INITIALS**  

Lessor	Govt.
<i>W.R.</i>	<i>[Signature]</i>

**Please Initial**

**1.10 TENANT IMPROVEMENT ALLOWANCE (AUG 2011) \$64,240.00**

The Tenant Improvement Allowance (TIA) for purposes of this lease is ~~\$62,420.00~~ (\$5.00 per ABOA). The TIA is the amount that the Lessor shall make available for the Government to be used for the TIs. This amount is amortized in the rent over the firm term of this Lease at an annual interest rate of 5.00 percent.

**1.11 TENANT IMPROVEMENT RENTAL ADJUSTMENT (SUCCEEDING) (SEPT 2011)**

The Government may elect to make lump sum payments for any or all work covered by the Tenant Improvement (TI) scope. That portion of the rental payments attributable to amortization of the TIs shall be reduced accordingly. At any time after occupancy and during the firm term of the Lease, the Government, at its sole discretion, may elect to pay lump sum for any part or all of the remaining unpaid amortized balance of the TIs. If the Government elects to make a lump sum payment for the TIs after occupancy, the payment by the Government will result in a decrease in the rent according to the amortization rate over the remaining Firm Term of the Lease.

**1.12 ADDITIONAL BUILDING IMPROVEMENTS (JUN-2012) INTENTIONALLY DELETED**

The Lessor shall complete the following additional Building improvements prior to acceptance of the Space:

**1.13 HUBZONE SMALL BUSINESS CONCERNS ADDITIONAL PERFORMANCE REQUIREMENTS (MAR 2012)**

If the Lessor is a qualified HUBZone small business concern (SBC) that did not waive the price evaluation preference then as required by 13 C.F.R. 126.700, the HUBZone SBC must spend at least 50% of the cost of the contract incurred for personnel on its own employees or employees of other qualified HUBZone SBC's and must meet the performance of the work requirements for subcontracting in 13 C.F.R. § 125.6(c). If the Lessor is a HUBZone joint venture, the aggregate of the qualified HUBZone SBC's to the joint venture, not each concern separately, must perform the applicable percentage of work required by this clause.

If the Lessor is a HUBZone small business concern (SBC) that did not waive the price evaluation preference, the Lessor shall provide a certification within 10 days after Lease award to the LCO (or representative designated by the LCO) that the Lessor was an eligible HUBZone SBC on the date of award. If it is determined within 20 days after award that a HUBZone SBC Offeror that has been awarded the Lease was not an eligible HUBZone SBC at the time of award, and the HUBZone SBC Lessor failed to provide the LCO with information regarding a change to its HUBZone eligibility prior to award, then the Lease shall be subject, at the LCO's discretion, to termination, and the Government will be relieved of all obligations to the Lessor in such an event and not be liable to the Lessor for any costs, claims, or damages of any nature whatsoever.